



#5 Cut Street Alton, Illinois 62002 618.463.4490

November 6, 2015

Mr. Ryan J. Bahr
Water Enforcement and Compliance Assurance Branch
USEPA, Region 5
77 West Jackson Blvd.
Chicago, IL 60604-3590

RE: Alton Steel, Inc. CWA Compliance Evaluation Inspection Reports

Dear Mr. Bahr:

This letter responds to USEPA's request seeking the steps Alton Steel, Inc. (ASI) has taken to address concerns noted in the inspection reports received 9/8/15. Prior to addressing the specific concerns, ASI would like to correct the report, as follows:

- 1) Jeannine Kelly's name is misspelled throughout the report. It should, also, be noted that she is no longer employed by ASI and future correspondences should not be addressed to her attention.
- 2) Section 3.0 Facility Description –
 - a. ASI melts down scrap metal, not strap steel, to produce steel products.
 - b. ASI no longer has operating groundwater wells. All groundwater wells have been abandoned in place.
- 3) Section 3.1 Facility Process Description –
 - a. The EMS baghouses collect K061 flue dust, not flute dust.
 - b. The LMF baghouse does NOT collect K061 dust. The flue dust from the LMF baghouse is not a RCRA waste.
 - c. The 14" Mill does not produce 14" steel bars. Bars up to 3.9" diameter are rolled in the 14" Mill.
 - d. The drum in photo PB120042 was not a chemical drum and was not clearly labeled by the ASI employee. It did not contain liquids and was not a PCB waste. The drum contained oil contaminated rags/PPE that was tested for PCBs and found to be 0.48 ppm PCB's.
- 4) Section 3.2 Water Treatment Plant –
 - a. The correct spelling of the wastewater operator is Bob Brundies.
 - b. The description of the wastewater pond is not clear. Wastewater continuously flows from the lagoons east of Cut Street toward the treatment plant. When the plant is operating, the wastewater flows to the wet wells and directly to the reactor tanks from there. If the plant is not operating, the wastewater flows to the overflow pond connected to the wet wells by a gravity fed pipe.

- c. ASI no longer uses Teklab to perform effluent testing. Sample bottles and testing is now provided by PDC Labs in St. Louis, MO.
- 5) Section 3.4 Storm Water Site Visit – The roadside ditch along the southeast side of the property does, in fact, connect to the Miami Creek south of Outfall 200 on the east side of Chessen Lane after passing the discharge point from Azcon's shredder. From there, the creek proceeds toward the former K01 outfall.
- 6) Section 3.5 Site Contractors – ASI has many contractors on site at various times.
 - a. Stein Mill Services is a tenant on our property. They process slag and scale from the EMS and 14" Mill.
 - b. Eagle Tubular Products is neither a tenant, nor a contractor on our site and is located on Chessen Lane, south of ASI's property.
- 7) Section 4.0 Sampling Description – It should be noted that during the 2014 inspection, Mr. Deyoe experienced difficulty with the pH meter and was unable to properly calibrate the meter and ensure quality control, contrary to what the report states.
- 8) References are made to a Section 5.2 which does not exist.
- 9) Attachment 1 –
 - a. PB140119, PB140121 & PB 140122 – the water on the pavement in these photos is no longer an issue. A wall was put in place to keep the water from splashing out of the tower sump.
 - b. PB140123 & PB140124 – The photos incorrectly reference the contact cooling tower and should reference the non-contact EMS cooling tower.
 - c. PB140134 references the wrong photo. Correct reference is PB140128.

Response to Section 6.0 - Findings and Observations:

- 1) Sludge pumping – ASI does not pump sludge to a low area northwest of the treatment plant. ASI pumps a water/sludge mixture from the clarifiers for about 5 minutes every other day to an elevated sludge holding lagoon northwest of the treatment plant. The sludge lagoon is one of three lagoons specifically designed to contain sludge from the clarifiers on a much larger scale when the company was operated as Laclede Steel. ASI's sludge handling procedures were included in its original NPDES permit application and ASI does not consider this a bypass.

ASI is currently researching alternative disposal methods for the water/sludge mixture. Until another method is selected, the minimal amount of solids deposited in the sludge lagoon by ASI will be removed periodically and sent off-site for disposal.

- 2) ASI has noted EPA's reference to the concentration levels of various metals from outfalls 001, 200 and 400 as being elevated or high and is unclear what USEPA is using to define elevated or high. The iron concentration from Outfall 001 is well below the permit limit.
- 3) ASI is aware of the cloudy appearance of the creek at Outfall 200, suspected to be caused by the prior owner from contamination of lime in the area. ASI does not

consider this to be a process or wastewater discharge, per Special Condition 9 of the permit.

- 4) ASI is in the process of rerouting the discharge pipe from the southeast corner of the continuous caster/steel bloom storage pit. The stormwater from the pit will be pumped to a pipe that discharges to the wastewater treatment plant.
- 5) EPA's statement of lack of good housekeeping in and around Outfalls 400 and 200 is ambiguous and subjective. ASI inspects the outfalls regularly and makes every effort to remove debris from the creeks using available resources. A large scale debris removal project from outfall 200 was last performed in May 2015. It should be noted that outfall 200 receives a majority of the debris (e.g. bottles, balls, toys) from upper Alton residential areas. ASI has asked the City for assistance in preventing this material from entering our property, to no avail.
- 6) EPA's statement of lack of good housekeeping/maintenance for the wastewater treatment plant clarifiers is ambiguous and subjective. The clarifiers were last hydro-blasted and plant growth removed in June 2015. Repairs to the clarifiers are routinely made, as needed.
- 7) ASI immediately cleans up releases of K061 and sweeps the area around the baghouse weekly to remove residual K061 dust from the pavement. In order to prevent the possibility of stormwater runoff in contact with this area from reaching the Miami Creek, a concrete berm and coir wattle have been put in place to divert the water away from the creek.
- 8) ASI has noted EPA's reference to ASI's ongoing clean-up of SWMU #5.
- 9) Noted SWPPP concerns in Section 5.1- SWPPP Review
 - a. The finalized SWPPP has been signed by the CEO/President.
 - b. ASI is not required to have erosion control measures designed for a storm event equal to or greater than a 25-year, 24-hour rainfall event, per Special Condition 17.A.2. of the permit, since no parameter of the discharge has been identified as the cause of impairment to the impaired water.
 - c. A clearer topographic map has been added to the SWPPP.
 - d. The roadside ditch was marked in blue on the map at the time of the inspection. It has been delineated in a brighter blue for clarity, however.
 - e. All of the surface water bodies and potential storm water discharge points that ASI is aware of are shown on the map.
 - f. ASI does not agree that the paved and building areas are required to be shown on the site map as hatched areas. As time allows, ASI will consider updating the map to show the paved areas as hatched areas and not lines.

- g. The K061 baghouse/silo area has been labeled on the site map.
- h. An additional map has been added to the plan that shows areas of existing and potential soil erosion.
- i. The material in photo PB140147 is no longer present. The majority of the Outfall 200 drainage area is used to store scrap or steel at any given time. It is ASI's practice to store scrap and steel at least 25 ft. away from drainage ditches. Stormwater associated with this industrial activity is authorized and permitted by the permit and managed by Special Condition 17 of the permit. The stormwater from the storage of these materials is not considered a process or wastewater discharge prohibited by Special Condition 9.
- j. All materials stored in Outfall 200 are stored at least 25 ft. away from the Miami Creek. Scrap steel stored by ASI closer than 25 ft. to Miami Creek at the time of the inspections has been moved and is no longer stored near the creek. Azcon occupies a majority of Outfall 200 and stockpiles scrap away from drainage pathways and surface waters. Azcon stockpile areas are graded to prevent contact with stormwater run-off according to their SWPPP.
- k. The reference to the periodic inspections mentioned in the Preventive Maintenance section of Table 1 of the SWPPP applies to areas inside the NPDES permitted outfalls 200 and 400, not areas outside of the permitted outfalls.
- l. ASI periodically removes trash and debris from the drainage ditches and creeks. See response 5 to Section 6.0.
- m. ASI had referenced the appropriate elements of its SPCC and Emergency Action & Contingency Plan, as required in Section J of Special Condition 17 of the permit. However, ASI has expanded the description of the appropriate elements of those plans to include more information than just a reference to the plan elements.
- n. The culvert west of the WWTP shown in PB130096 has been removed. ASI does not consider this area to be a discharge point.
- o. ASI was unable to identify specific discharge points along the south property border. Areas that appear to be forming erosion channels are corrected and filled with riprap. The southwest area along the road near the ditch is watched closely to ensure erosion channels do not form.
- p. ASI keeps records of every employee that receives training. The SWPPP training is part of the regular Environmental Awareness Training our employees have received since the formation of ASI. Records were shown to the land inspectors during the combined 2014 inspection and an opportunity to view the training presentation was offered and declined.
- q. EPA's statement that the quarterly inspection reporting appears not to meet all of the requirements in Special Condition 17, Section H.2 of the permit is

ambiguous. ASI believes it has and continues to meet all of the requirements, as recorded on the Field Sheet in Table 2 of the SWPPP. Permits prior to 9/1/13 did not contain Section H.2.

- r. The EPA was not present when ASI staff pulled quarterly samples during a rain event according to Special Condition 17, Section H.2 of the permit at Outfall 200. ASI is unclear how the EPA can formulate an observation "match", as a result. ASI uses a glass jar to evaluate the samples as noted on the Field Sheet in Table 2 of the SWPPP and often the water is clear with white settled solids at the bottom of the jar, contrary to the water in the creek having a cloudy appearance when observed from the bank, as noted by EPA.
- s. EPA's statement that the annual inspection reporting appears not to meet all of the requirements in Special Condition 17, Section I of the permit is ambiguous. ASI believes the annual inspection reporting does meet all of the requirements and includes a section for verifying all the elements of the SWPPP are accurate.

ASI believes this letter responds to the concerns noted in the inspection reports. If you have any questions regarding the foregoing information or require additional information, please contact me at (618) 374-3570.

Sincerely,
Alton Steel, Inc.



Toni Paulus
Director, Environmental Compliance